

**MINUTES OF MEETING
SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION
MARCH 2, 1995**

MEMBERS PRESENT

Dr. Donald Crolley
Dr. Colgate Darden
Mr. Fred Fore
Mr. Austin Gilbert, Jr.
Mr. Kenneth Goad
Dr. Gregg Jones
Ms. Reba B. Kinon
Mr. Ray Lathan
Dr. David Maxwell
Mr. Willard Metcalf
Mr. Lewis Phillips
Mr. Bill Stern
Ms. Debbie Whittle
Ms. Mim Williams

MEMBERS ABSENT

Mr. Fred Day
Ms. Elaine Freeman
Dr. Ray Ramage
Mr. Edwin Tolbert

GUESTS

Ms. Deborah Allen
Dr. Ron Bailey
Mr. Tommy Baker
Mr. Arthur M. Bjontegard
Mr. Jonathan Bove
Mr. Bob Broadhead
Mr. Charles Brooks
Dr. Charles Cathcart
Ms. Donna Collins
Dr. Jim Daniels
Dr. Nancy Dunlap
Ms. Katherine Fanning
Dr. Carol Garrison
Mr. Sandy Gilliam
Mr. Lawrence Gressette
Ms. Susan Haskill
Dr. Wanda Ward Hayes
Dr. Joe Heyward
Dr. Mac Holderfield
Mr. Earle Holley
Dr. Blanche Premo-Hopkins
Dr. Sally Horner
Dr. Ronald R. Ingle
Mr. Charlie Jeffcoat

Mr. David Larson
Dr. Harry Matthews
Mr. Doug McCombs
Dr. Ann McNutt
Dr. James C. Moeser
Dr. John Palms
President Phillip Prince
Mr. Bill Putnam
Mr. Charles Shawver
Mr. Dee Stone
Mr. Marshall Swann
Ms. Janice Trawick
Dr. Marcia Welsh
Mr. Larry Wilson

MEMBERS OF THE PRESS

Ms. Colleen Brown
Mr. Dave Cochran
Mr. Jesse Holland
Mr. Derrick Kuchman
Ms. Linda Meggett
Mr. Bill Robinson

STAFF

Ms. Kim Corley
Ms. Renea Eshleman
Mr. Charlie FitzSimons
Mr. Jeff Grace
Mr. Ivan Guinn
Ms. Maggie Hicks
Mr. Doug Holleman
Mr. Raghu Korrapati
Dr. David Loope
Ms. Lynn Metcalf
Dr. Gail Morrison
Dr. Robert Poch
Dr. Michael Raley
Mr. Jeff Richards
Mr. Fred Sheheen
Ms. Betty Simmons
Mr. John Smalls
Dr. Lovely Ulmer-Sottong
Dr. John Sutusky
Ms. Julia Wells
Dr. Karen Woodfaulk

For the record, notification of meeting was made to the media as required by the Freedom of Information Act.

Introduction of guests was provided by Mr. Krech.

The Commission meeting of March 2, 1995, was chaired by Vice Chairman Austin Gilbert.

1. Approval of Minutes of Meeting of February 2, 1995

It was moved (Phillips), seconded (Fore), and voted that the minutes be approved.

2. Special Presentations:

(SCHEDULE OF SPEAKERS) - Presentations Made to the South Carolina Commission on Higher Education: (See Enclosure of Listed Speakers)

3. Committee Reports:

3.01 Report of the Executive Committee

(No Report)

3.02 Report of the Academic Affairs

(No Report)

3.03 Report of the Committee on Access and Equity - Kenneth Goad

Mr. Goad reported, by the request of Mr. Tolbert, that the tenth annual conference on Development and Implementation for Successful Programs held February 8-10 in Myrtle Beach, South Carolina (entitled - TODAY'S INVESTMENT - TOMORROW'S SUCCESS), was a great success. There were 172 participants including colleges/universities (36); other agencies (8); college presidents (9); commission members (8); and staff members from the Commission on Higher Education (13). He stated that Dr. Samuel Proctor, distinguished professor at Duke University, is a great "barn burner."

3.04 Report of the Committee on Business and Finance

(No Report)

3.05 Report of the Committee on Facilities - Reba Klnon

a. MEDICAL UNIVERSITY OF SOUTH CAROLINA

1. Digestive Disease Center Therapeutic Suite

The Medical University of South Carolina is seeking authorization to renovate the Medical Center's third floor to accommodate the proposed Digestive Disease Center's Therapeutic Suite.

The estimated total project cost is \$4,188,500. The source of funds is hospital revenue. (No formula funding impact will result from this project.)

This Suite will "enable the Medical University to provide patient-friendly, cost-effective multi-disciplinary care in a 'center without walls.'"

The Committee recommends approval of the project as proposed.

It was moved (Kinon), seconded (Williams), and voted that the recommendation be approved.

2. Parking Lot "G" Renovations

The Medical University of South Carolina is seeking authorization to establish a project for renovating its parking lot to change the Employee Parking into a Visitor/Patient Parking Lot. The estimated total project cost is \$750,000. The source of funds is parking revenues. (No formula funding impact will result from this project.)

The designation of parking lot 'G' to this purpose is expected to increase outpatient activity as well as overall patient satisfaction. Further, the impact of the changing health care environment towards more managed care and increased outpatient activity will be significant to the demand for patient/visitor parking.

The Committee recommends approval of the project as proposed.

It was moved (Kinon), seconded (Williams), and voted that the recommendation be approved.

b. SOUTH CAROLINA STATE UNIVERSITY

1. Bradham and Manning Halls Renovations

South Carolina State University is seeking authorization to renovate portions of Bradham and Manning Halls. The estimated total project cost is \$400,000. The source of funds is excess debt service (housing). (No formula funding impact will result from this project.)

The need for renovation of these two dormitories results from structural problems, air-quality concerns, asbestos, and termite damage. Due to the nature of repairs, related but unpredictable costs might be incurred.

The Committee recommends the project be approved as proposed.

It was moved (Kinon), seconded (Crolley), and voted that the recommendation be approved.

2. Dawn Center Acquisition

South Carolina State University is seeking authorization to purchase the Dawn Center, two renovated facilities and land, located within the Campus Master Plan boundaries next to Belcher and Moss Halls. The estimated total project cost is \$820,000. The sources of funds are \$500,000 excess debt service (tuition) and \$320,000 auxiliary. (There will be a very modest net reduction in formula funding resulting from this project.) The reduction is due to the schedule demolition of two buildings upon occupancy of this facility.

The Committee recommends the approval of the project as proposed.

It was moved (Kinon), seconded (Williams), and voted that the recommendation be approved.

c. UNIVERSITY OF SOUTH CAROLINA - COLUMBIA

1. National Advocacy Center Construction

The University of South Carolina-Columbia is seeking authorization to increase the budget of this previously approved project by \$3,914,879 to include the costs of expanding the parking garage and making other site improvements. The proposed increase consists of: \$1,476,239 - site development; and \$2,438,640 - parking. The sources of funds for the increase are institution bonds and revenue bonds (parking), respectively. Parking revenue bonds and Federal funds will cover the cost of the parking garage construction. Institution bonds will be used only for University infrastructure and campus enhancements. (No formula funding impact will result from this project.)

The Committee recommends approval of the project as proposed.

It was moved (Kinon), seconded (Williams), and voted that the recommendation be approved.

Mr. Sheheen asked Mr. Jeffcoat the following two questions: (1) Will the parking spaces be made available to all faculty, staff, and students? (2) What is the monthly anticipated fee?

Mr. Jeffcoat replied that a new type of control system will be used in this garage, which will be made available to "almost anyone we elect to make it available to." This system is called the "European System." Basically, this is "walk-up teller machine." When ones drives into the garage, a "ticket spitter" will give a ticket to that individual. The individual will go about his business on campus, and when he returns to the garage, he will not go directly to his car. He will go to one of these machines, insert his ticket, and the machine will calculate the amount of time he has been there and the amount of the fee, and he then will pay that fee at the machine. This fee will be paid by "possibly using the individual's student ID."

Mr. Sheheen asked if this would be done on a monthly basis, and Mr. Jeffcoat replied that this would not necessarily be. Mr. Jeffcoat stated that maybe this will be done on an hourly or daily basis, and it would be available to anyone.

Mr. Jeffcoat also stated it would be very flexible, so USC could issue a special permit for functions at the Longstreet arena -- which is nearby.

Mr. Sheheen said that he asked this because there are a lot of complaints by students received, and he wanted to inquire to see if these parking spaces will be made available to students, and Mr. Jeffcoat replied, "Yes -- particularly to residential students."

2. Soccer Stadium Construction

The University of South Carolina-Columbia is seeking authorization for the construction of a permanent grandstand at the existing soccer field, located at the corner of Whaley and Sumter.

The estimated total project cost is \$1,050,000. The sources of funds are \$50,000 athletic operating and \$1,000,000 private. (No formula funding impact will result from this project.)

A donor entered into a Memorandum of Agreement for a \$1 million contribution over three years concluding in 1997. In January 1995, \$150,000 was collected. The University anticipates the receipt of approximately \$560,000 by January 1996 and the remainder in early 1997. The Athletic Department will use reserve funds to "bridge any cash flow shortfalls resulting from actual receipt of the donated monies."

The Committee recommends approval of the project as proposed provided no State funds or student fees are allocated to this project in the event of a "funds shortfall."

It was moved (Kinon), seconded (Crolley), and voted that the recommendation be approved.

3.06 Report of the Committee on Planning and Assessment - Austin Gilbert

(Since Mr. Gilbert was chairing the meeting for this day, he had previously asked Chairman Day if there were any objections to his presenting the report of the Committee on Planning Assessment, and Chairman Day did not have any objections.) (Also, there were no objections by any members of the Commission.)

a. CONSIDERATION OF THE "REPORT OF THE BLUE RIBBON COMMITTEE ON QUALITY INITIATIVES"

Mr. Gilbert asked Dr. Ronald Ingle, President of Coastal Carolina University, to come to the front and help in the reporting.

Mr. Gilbert reported that on this morning of March 2, 1995, the Committee voted to present the report on Quality Initiatives to the Commission for its approval. (See Attached.)

The Commission commended Dr. Ingle and the Committee on a magnificent job.

It was moved (Kinon), seconded (Williams), and voted that the report be adopted.

4. Report of the Commissioner - Mr. Sheheen

Proposed Medical University of South Carolina Hospital Lease -

On February 13, the Commission on Higher Education, Joint Bond Review Committee, and the Budget and Control Board met with the Hospital Corporation of America representatives and the officers of the Medical University. The plan, generally, is to form a 50/50 partnership with the Hospital Corporation of America in a joint operating partnership. Hospital Corporation of America will put in Trident Medical Center and a clinical facility in Summerville. Then, there will be a partnership which will be a private entity, which would operate the hospital.

As soon as details are drafted for this proposal, the Commission will be notified, so that the Commission can begin its review and preparation for recommendation to the full Commission.

The Commission on Higher Education, Joint Bond Review Committee and the Budget and Control Board have agreed to examine this jointly, so the Medical University will not have to go through three different versions of this.

Mr. Sheheen reiterated that once the lease agreement is received, the details will be examined by the Commission.

He also stated that this will be a profound decision to make. He stated this is the largest sale or lease of public assets in South Carolina in his memory.

Legislative Update

Mr. Sheheen stated that on the issue of funding, the pending version of the Ways and Means bill which will be taken up on Monday, March 6, at 11:00 in the House of Representatives reduces appropriations to the colleges and universities by 15 million dollars from the current level. That effectively places South Carolina back at the 1990 level of appropriations for the colleges and universities and also reduces the Commission's budget by 2.5 percent.

Mr. Sheheen stated that they are working on trying to at least not have the reductions applied to the flow-through monies.

There is a strong movement on the part of the education community in the State to fund more fully elementary and secondary education and higher education.

Mr. Sheheen stated that on the issue of restructuring, the House consideration of this is "lodged" in the subcommittee of the House Education Committee.

Germany Trip

Mr. Sheheen stated that the Budget and Control board has requested that he return to Germany to the State of Thuringia. This time it is an agreement between Atlantic Alliance and the State of South Carolina.

5. Other Business

Ms. Williams noted that in 3.06a (Report of Committee and Planning and Assessment), the Blue Ribbon Committee "proposes the continuance of its work by a small group of its members."

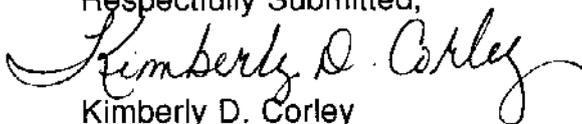
The following individuals have agree to continue to serve to assist in fine tuning, monitoring, and implementing the plan for funding of quality initiatives:

Ronald R. Ingle-President, Coastal Carolina University
Charlie Brooks-Governor's Appointee to the Blue Ribbon Committee
Ann McNutt-President, Technical College of the Low Country
Dewitt Stone-Assistant Vice President of Academic Affairs,
Clemson University

It was moved (Williams), seconded (Metcalf), and voted that the above-named individuals continue to serve on the Blue Ribbon Committee.

There being no other business, the meeting was adjourned at 1:00 P.M.

Respectfully Submitted,



Kimberly D. Corley
Recording Secretary